

NATIONAL DAIRY MARKET AT A GLANCE

At the Chicago Mercantile Exchange (CME), all grades of butter are unchanged: Grade AA is \$1.4900, Grade A is \$1.4000, and Grade B is \$1.3800. Also at the CME, barrel cheese is unchanged at \$1.2000 and 40# blocks decreased 1 1/2 cents to \$1.1800.

According to the NASS annual summary of dairy products for 1997, production of butter in the United States totaled 1.15 billion pounds, 2% less than 1996. California accounted for 27% of the production, followed by Wisconsin with 26% and Washington with 8%. Total cheese production, excluding cottage cheese, was 7.33 billion pounds, 2% above the 1996 production. Wisconsin was the leading state with 29% of the production, followed by California with 16% and Minnesota with 9%. Nonfat dry milk production for human food, at 1.22 billion pounds, was up 15% from 1996. California was the leading state with 45%, followed by Washington with 14%. Dry buttermilk production, at 49.3 million pounds, was up 1%. Dry whey production for human food, at 1.08 billion pounds, was up 3% for 1997.

According to ERS and AMS, commercial disappearance of dairy products during the period December 1997 - February 1998 totaled 37.5 billion pounds, 1.0% less than the same period of the previous year. Comparing disappearance levels with the similar period a year ago: butter, American cheese, and nonfat dry milk were lower, while other cheese and fluid products were higher.

The spring flush season is approaching at a rapid pace. In the Northeast, output is steady to slightly higher while steady to occasionally lower in the Southeast. The Eastern fluid milk situation has eased slightly, but milk volumes are still burdensome and surpluses continue to clear to other regions. Florida's production increased to flush levels and handlers exported approximately 75 loads this week. Southern manufacturing plants are running at capacity. The Midwest continues to absorb much of the surplus milk and, as a result, many plants are also at maximum capacity. Milk receipts in the Midwest are also

increasing. California milk production continues to rebound following another week of ideal weather conditions. However, output is most often below year ago levels which may be attributed to the previous harsh weather conditions. In Arizona and New Mexico, output continues to improve and is near annual peaks. The Pacific Northwest and northern Mountain States are also following seasonal production patterns. Some concern is now being expressed across regions about the ability to efficiently handle the milk this spring.

The dry product markets remain relatively unchanged from last week. This can be partially attributed to many producers/traders/users attending the annual ADPI meeting in Chicago this week. Nonfat dry milk prices are steady and the market tone remains weak. Market conditions are similar to recent weeks with offerings clearing to the CCC. Large amounts of surplus fluid milk supplies are entering butter/powder plants and causing inventories to build at several locations. Buttermilk prices are unchanged and demand is light. Producer stocks are fairly well balanced. Dry whey prices are unchanged across regions, with the exception of a fractional decrease in the Western range. Some Western producers noticed more buyer resistance this week due to the "inverse price relationship" between the West and Central price ranges. Production levels are heavy as large volumes of surplus milk enter cheese plants. Producer stocks range from sold out in the East to higher in the Western and Central regions.

During the week of April 27 - May 1, CCC net purchases totaled 4,407,870 pounds of NDM under the price support program from Western producers.

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BUTTER MARKETS

CHICAGO WHOLESALE

Dollars per pound, trucklot, bulk in fiber boxes, delivered metropolitan area, prices include CCC purchase price whenever bulk butter is moving to CCC from the Midwest area.

GRADE	APRIL 28	APRIL 30	MAY 1
AA	\$1.4900 - 1.5000 (.1550) (.1550)	\$1.4900 - 1.5000	\$1.4900 - 1.5000
A	\$1.4000 - 1.4100 (.1575) (.1575)	\$1.4000 - 1.4100	\$1.4000 - 1.4100

() Change from previous price.

BUTTER HIGHLIGHTS: In cash trading at the Chicago Mercantile Exchange, all grades of bulk butter are unchanged. Opinions on current butter markets are mixed. Butter producers and handlers continue to adjust to the sharp price increases of last week. Most of the industry was surprised at the level of the increases. Stocks of butter range from in balance to short of desired needs. Buying interest is mixed as some buyers hold off placing orders, while others are purchasing to hedge against possible further price increases.

CHEESE MARKETS

WISCONSIN ASSEMBLY POINTS

Dollars per pound, standard moisture basis (37.8-39.0%), carlot/trucklot, F.O.B. plants or storage centers, prices include CCC purchase price whenever cheese is moving to CCC from the Midwest area.

CHEDDAR STYLES	APRIL 27 - MAY 1, 1998
BARRELS*	\$1.1900 - 1.2000 (NOMINAL) (-.0425) (-.0625)
40# BLOCKS	\$1.1850 - 1.1950 (NOMINAL) (-.0650) (-.0850)

() Change from previous week. * If steel, barrel returned.

CHEESE HIGHLIGHTS: The cheese market continues weak. At the Chicago Mercantile Exchange, barrels were unchanged at \$1.2000 and 40 pound blocks declined 1.5 cents to \$1.1800 in very light trading. Demand remains light and mainly for fill-in orders. Current offerings of cheddar are more than adequate. Cheese production remains seasonally heavy.

CHICAGO MERCANTILE EXCHANGE

BUTTER TRANSACTIONS ON FRIDAY, MAY 1, 1998

(CARLOT UNIT = 40,000 - 42,000 LBS.)

GRADE	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION - LST
AA	N.C.	\$1.4900 : OFFER 05/01/98
A	N.C.	\$1.4000 : BID 04/24/98
B	N.C.	\$1.3800 : BID 04/24/98

SALES: NONE

BIDS UNFILLED: 2 CARS GRADE AA @ \$1.3500

OFFERS UNCOVERED: 4 CARS GRADE AA: 1 @ \$1.4900 (LST),
 1 @ \$1.4925, 1 @ \$1.4950, 1 @ \$1.6000

CHEESE TRANSACTIONS ON THURSDAY, APRIL 30, 1998

(CARLOAD UNIT = 40,000-44,000 LBS.)

CHEDDAR STYLES	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION
BARRELS	N.C.	\$1.2000 : SALE 04/23/98
40# BLOCKS	-.0150	\$1.1800 : OFFER 04/30/98

SALES: NONE

BIDS UNFILLED: NONE

OFFERS UNCOVERED: 6 CARS 40# BLOCKS: 1 @ \$1.1800 (LST),
 2 @ \$1.1850, 3 @ \$1.1950

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS--DEC.-FEB. 1996/97, 1997/98 AND YEAR-TO-DATE 1996-97 1/

Item	Dec.-Feb.	Percent	Dec.-Feb.	Percent	Jan.-Dec.	Percent	Jan.-Dec.	Percent
	1996/97	change 4/	1997/98	change 4/	1996	change 4/	1997	change 4/
Million Pounds								
<u>MILK</u>								
Production	38,192	0.8	38,445	0.7	154,259	-1.0	156,603	1.8
Marketings	37,843	0.9	38,122	0.7	152,770	-1.0	155,226	1.9
Beginning Commercial Stocks 2/	4,684	21.4	4,677	-0.1	4,099	-3.8	4,704	14.8
Imports 2/	706	9.6	753	6.7	2,912	-0.9	2,696	-7.4
Total Supply 3/	43,233	1.8	43,552	0.7	159,781	-1.1	162,626	2.1
Ending Commercial Stocks 2/	5,238	3.6	5,640	7.7	4,704	14.8	4,869	3.5
Net Removals 2/	76	375.0	387	409.2	87	-95.9	1,276	1,366.7
Commercial Disappearance 3/	37,919	2.6	37,525	-1.0	154,990	-0.2	156,481	1.2
<u>SELECTED PRODUCTS 5/</u>								
Butter	325.8	-4.2	282.3	-13.4	1,179.6	-0.9	1,097.2	-6.7
American Cheese	820.5	8.1	818.5	-0.2	3,320.1	2.3	3,266.4	1.4
Other Cheese	1,034.5	5.0	1,037.7	0.3	4,243.0	2.6	4,390.4	3.7
Nonfat Dry Milk	239.8	-3.3	192.2	-19.8	1,009.0	8.9	884.8	-12.1
Fluid Milk Products 6/	13,853.2	-0.6	13,914.1	0.4	55,565.0	1.0	55,386.3	0.0

1/ Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and therefore can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. 2/ Milk-equivalent, milkfat basis. Calculated using slightly different factors than previously. Further changes may be made as technical parameters become available. 3/ Totals may not add because of rounding. 4/ From year earlier on a daily average basis. 5/ Commercial disappearance in product pounds. 6/ Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition. **SOURCE:** Economic Research Service, USDA. Fluid milk products - Agricultural Marketing Service, USDA. This information is now available through AutoFAX. To request a document, dial (202) 219-1107 and enter document number 11521 when prompted.

PRINT BUTTER MARKETS - GRADE AA

NORTHEAST

Prices are sharply higher. The fourteen and a half cent jump on Grade AA at the April 24 session of the CME surprised many people in the industry. They question such a large jump based on the glut of milk covering the East, ample supplies of cream, significantly higher cold storage holdings, and the less than aggressive retail demand. Production levels are heavy and butter stocks are more than adequate to meet the slow to fair retail demand. Food service orders are just fair. Typically, following such a large price increase many buyers/distributors are limiting purchases to immediate needs.

WHOLESALE PRICES: MIN 25 BOXES
DOLLARS PER POUND, DELIVERED EAST COAST CITIES

1/4 LB. PRINTS	:	1.7000-1.9475
1 LB. PRINTS	:	1.6150-1.7975
CHIPS/PATTIES	:	1.6775-1.8850
REDDIES	:	1.7525-1.9475
CONTINENTALS	:	1.8325-2.0075

CENTRAL

Print butter prices are sharply higher following April 24 cash trading at the Chicago Mercantile Exchange. Traders and butter handlers felt the market was firm, but this increase surprised many. Although churning schedules are seasonally active, stocks of butter are reported to be lighter than most handlers desire. Overall buying interest for immediate needs is fair at best. Most buyer interest at this time is centering around inventory building versus current needs. Midwestern buyers are looking to the West to secure additional stocks. In many instances, stocks are not readily available and asking prices are not as favorable as in the past.

FOB CENTRAL STATES PLANTS: MIN 20,000 POUNDS, \$ PER POUND

1/4 LB. PRINTS	:	1.5900-1.9975
1 LB. PRINTS	:	1.5550-1.7175
CHIPS/PATTIES	:	1.5800-1.7900
REDDIES	:	1.6650-1.9000
CONTINENTALS	:	1.8200-2.0100

WEST

Western print butter prices are sharply higher following trading at the CME on April 24. Sales of bulk butter are much slower after the major price run-up. Buyers are waiting to see what will happen next. They know that at this time they don't want cream or butter on hand at these prices if they believe that the market may weaken. The discussion at a major industry trade meeting this week centered around the amount of surplus milk available for processing in the eastern half of the country and the low offering prices being quoted. Print sales are barely steady. Stock levels in the Western region remain tight. Cream is available and demand is somewhat mixed. Ice cream accounts are taking more cream, but some churns are much more cautious.

WHOLESALE SELLING PRICES: DELIVERED WESTERN CITIES
150 - 1000 POUNDS, DOLLARS PER POUND

1/4 LB. PRINTS	:	1.7725-1.8400
1 LB. PRINTS	:	1.6975-1.7675
PATTIES	:	1.7450-1.9100
REDDIES	:	1.8700-1.8875

FOB CALIFORNIA PLANTS - GRADE AA
100 CASES AND UP, DOLLARS PER POUND

1/4 LB. PRINTS	:	1.4875-1.5375
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WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	:	CHEESE
		:	
04/27/98	10,499	:	111,211
04/01/98	+9,869	:	112,654
CHANGE	+ 630	:	-1,443
% CHANGE	+ 6	:	-1

NASS CHEDDAR CHEESE PRICE SURVEY

WEEK ENDING	40# BLOCKS			640# BLOCKS		BARRELS (adjusted to 39% moisture)		
	MN/WI	WEST	U.S.	U.S.	MN/WI	OTH STATES	U.S.	
APRIL 24	1,2918	1,2485	1,2567	1,3175	1,2525	1,2288	1,2368	
	914,538	5,016,692	6,444,673	698,107	3,722,696	7,090,972	10,813,668	

Further data and revisions may be found on the Internet at: <http://usda.mannlib.cornell.edu/reports/nassr/price/cheddar/>

CHEESE MARKETS

NORTHEAST

Prices are unchanged to mostly lower on both process and natural items. The cheese market continues weak. Current movement is sluggish as buyers work down current inventories for the chance of possibly even lower prices in the future. Despite milk exports to other areas of the country for processing, cheese production within the East remains heavy seasonally. Offerings are readily available.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.3975-1.6775
Cheddar Single Daisies	:	1.3675-1.6825
Cheddar 40# Block	:	1.3325-1.4900
Process 5# Loaf	:	1.4100-1.6250
Process 5# Sliced	:	1.4300-1.6375
Muenster	:	1.3750-1.9550
Grade A Swiss Cuts 10 - 14#	:	2.2500-2.5050

MIDWEST

The cheese market continues weak. At the Chicago Mercantile Exchange on April 23, barrels fell 4.25 cents to \$1.2000 and 40# blocks declined 5.5 cents to \$1.1950. The inverted relationship (barrels higher than blocks) is fueling expectations of additional changes to get the block price back above barrels. Traders continue to speculate on whether prices could decline to near support, based on current demand and supplies. With the tilt toward butter/powder over cheese, somewhat less milk or reduced milk fortification may be used by cheese makers. Current spot activity is limited though a few buyers are making purchases based on the rationale that prices may be near, if not at, the bottom. Process movement is generally steady at best, aided in instances by promotional activity. Few, if any, cutters/processors need full 40 hour schedules to fill orders. Cheese production remains heavy, bolstered by the somewhat lighter volumes of outside milk. Local milk receipts are increasing seasonally and are generally well above year ago levels.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.4975-1.6600
Brick And/Or Muenster 5#	:	1.6000-1.6675
Cheddar 40# Block	:	1.4600-1.9150
Monterey Jack 10#	:	1.6600-1.9150
Blue 5#	:	1.8025-2.1400
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.5750-1.9150
Grade A Swiss Cuts 6 - 9#	:	2.2500-2.4850

WEST

Natural, Swiss, and process cheese prices declined again this week following trading at the CME on April 23. Some contacts believe that prices may decline further, at least on blocks. Others believe the market is already below their "guess" of a few weeks ago. Most indications are that barrel demand for process cheese is quite good. Processors and shredders have been able to absorb much of the downgraded cheese of the past two weeks. Mozzarella sales remain very good. Swiss sales are termed slow at best. Cheese stocks are quite variable across the region. Production is trending seasonally higher across the West, especially areas outside of California and Arizona.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.3950-1.6400
Cheddar 40# Block	:	1.3775-1.6100
Cheddar 10# Cuts	:	1.6175-1.7400
Monterey Jack 10#	:	1.5725-1.7200
Grade A Swiss Cuts 6 - 9#	:	2.2800-2.3700

FOREIGNTYPE

Prices on domestic varieties are unchanged to mostly lower and imported prices are unchanged. Current buying interest is slow to fair. Most orders are just for replacement needs. Stocks are about in balance for anticipated spring needs.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
	:	:
Roquefort	: 5.5000-6.8900	: -0-
Blue	: 2.6400-3.1400	: 1.5300-2.1400*
Gorgonzola	: 3.2400-5.9400	: 2.1950-2.4950*
Parmesan (Italy)	: TFEWR	: 2.9400-2.9800*
Romano (Italy)	: 2.0900-2.9000	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 1.2025-1.7300*
Romano (Cows Milk)	: -0-	: 2.7275-2.9800*
Sardo Romano (Argentine)	: 2.6500-3.2900	: -0-
Reggianito (Argentine)	: 2.6500-3.2900	: -0-
Jarlsberg-(Brand)	: 2.7400-3.1200	: -0-
Swiss Cuts Switzerland	: -0-	: 2.2500-2.5050
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-
Swiss Cuts Austrian	: 2.2500-2.7500	: -0-
Edam	:	:
2 Pound	: TFEWR	: -0-
4 Pound	: 2.1900-3.0900	: -0-
Gouda, Large	: 2.3900-3.1500	: -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	: 27.8000-31.7000	: -0-

* = Price change.

FLUID MILK AND CREAM

E A S T

The fluid milk situation has eased slightly, but milk volumes are still burdensome and excesses are still being cleared to other regions. Milk production is steady to slightly higher in the more northern areas while steady to occasionally lower in the Southeast. Over the weekend and through Tuesday, there were still distressed loads of milk looking for a home. By Wednesday, the number of those loads eased, but some were still reported. Handlers commented on the extremely heavy weekend and they were happy for any relief that might come their way. Florida milk output is holding up at near flush levels and handlers were exporting approximately 75 loads for the second week in a row. The report of 100 loads shipped out last week were revised downward to 70-75. Florida's milk output surprised many by actually jumping quite bit this week. Southern manufacturing plants are at capacity, but contacts feel that they may "squeeze in" a down day this week. In the Northeast, milk volumes remain heavy and surplus milk supplies are excessive. Bottled milk sales continue to be reported as steady but very slow. First of the month orders are often less than anticipated. The condensed skim market is very weak. Spot prices are often lower and contract sales are steady to occasionally lower. The sharp jump in butter prices has caused wet solids' values to drop. Offerings are very heavy and there have been some distressed, Class III sales. Spot demand from Class II buyers is, at best, lackluster. The fluid cream market is in a semi-state of shock. Buyers and sellers are reeling from the 14+ cent jump in butter prices and resultant increases in cream prices. Many had expected prices to drop and cream usage to increase. This jump in prices has, at least temporarily, slowed spot sales. In some instances, multiples were adjusted lower, but for the most part, they held relatively steady. Ice cream production is increasing seasonally, but spot purchases have been delayed as much as possible. Buyers are hoping for a correction in butter prices this week or next. Churning activity is still quite heavy and contacts report that butter makers are still quite aggressive in their cream buying strategies.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT	
F.O.B. Producing Plants: Northeast	- 1.8480 - 2.0300
Delivered Equivalent Atlanta	- 1.7920 - 2.0615 M 1.8200 - 1.9320
F.O.B. Producing Plants: Upper Midwest	- 1.7159 - 1.7786

PRICES OF CLASS II CONDENSED SKIM, \$ PER LB WET SOLIDS	
F.O.B. Producing Plants: Northeast	- .9000 - 1.1300

M I D W E S T

SPOT SHIPMENTS:	LOADS
APRIL 24 - 30, 1998	0
PREVIOUS WEEK	0
COMPARABLE WEEK IN 1997	0

Class I demand is steady to occasionally improved. Manufacturing milk demand is steady to slightly improved as many plants again have a little unused capacity. Somewhat lighter volumes of surplus milk, mainly around midweek, caused \$8.00 milk volumes to dry up. Spot prices, mainly from within the region, ranged from a few at flat class/MCP to \$2.00 below class, mostly \$1.00 or more below class. Sharply higher cream prices on a limited test, following the price increase at the Chicago Mercantile Exchange butter market, have affected demand from some users. At least one ice cream producer has reduced spot cream purchases and/or shifted production more heavily over to lower fat items such as sherbet. Milk receipts are increasing with some more hefty increases noted at some locations. Milk components are also slipping seasonally. The fluid increases from patrons at some facilities hampered plant

operators' ability to purchase some of the more attractively priced surplus milk in recent weeks. The "tilt" is solidly in favor of butter/powder over cheese after recent price changes. Progress continues on spring fieldwork and planting with best progress noted on lighter soils or areas that have not been receiving as much precipitation as others in recent weeks. Where rain has been more plentiful, many areas still have small ponds and progress has been slower. Cooler temperatures have also help slow grass and pasture growth.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)		
	APRIL 23-29	PREVIOUS YEAR
SLAUGHTER COWS	\$ 35.00- 40.00	\$ 38.00- 42.50
REPLACEMENT HEIFER CALVES	\$105.00-165.00	\$ 95.00-150.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)		
	APRIL 23-29	PREVIOUS YEAR
SLAUGHTER COWS	\$ 36.00- 41.00	\$ 38.50- 45.00

W E S T

March pool receipts of milk in California total 2.24 billion pounds, down 0.1% from last year. This marks the first monthly decline compared to a prior year since August 1996. Cumulative output for the first three months of 1998 totals 6.46 billion pounds, up 3.7% from the same period in 1997. The blend price at a fat test of 3.72% is 69 cents lower at \$13.38. The percentage of receipts used in Class 1 products is 24.84%. The March quota price is \$14.19 and the base and overbase prices are \$12.49. These prices are 42 cents lower than February and 60 cents below last March. California milk production continues to rebound following another week of ideal weather conditions. However, output is most often below year ago levels. Alfalfa harvesting conditions are good and crop conditions are improving. The delayed start to the harvest has resulted in some alfalfa being very mature. Rain on the cut hay has not helped the quality either. The delays and rains may result in less hay crops being cut this year. Milk production continues to increase slightly in Arizona and is near annual peaks. New Mexico production levels are improving and remain above year ago levels. Cream demand remains good from both butter makers and ice cream manufacturers. Despite the 14 3/4 cent increase in the CME Grade A butter price last Friday, cream multiples have remained relatively steady in the 130 to 140 range. Condensed skim markets are weak and lower prices are creating more of a demand for condensed over NDM. Some record setting, early season, warm temperatures were noted in the Pacific Northwest. Readings as high as the low 80's were common. Milk production remains strong seasonally. The warm temperatures are allowing an early start on most farming operations. Field preparation is well advanced and some corn is in the ground. Spring small grain planting is in good shape. Pastures are growing well and conditions are dry enough to more easily manage the growth. Some hay has been cut in the Tricities area of south central Washington. This is about two weeks earlier than normal. Price quotes are minimal at this time, but indications are that prices will be below those paid recently for old crop hay. Concentrate prices continue to soften. Heifer prices are steady with no great demand. Milk output continues to build seasonally in the northern Mountain States region also. Some concern is now being expressed about the ability to handle the milk efficiently this spring. Temperatures are also warm in this region. Spring land preparation is well under way. Hay growth is not quite as far along in this region. The snow pack remains very heavy with most areas around 150% of normal. Some stream and river flooding is noted as temperatures warm. Concern is noted about the possibility of a warm rain bringing the snow out too fast, leading to more flooding.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 04/30/98 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are steady in a weak market. Supply continues to surpass the sluggish demand. Strong milk production, significantly throughout the East, is increasing manufacturing milk volumes. Large amounts of extra milk are entering butter/powder plants and causing NDM inventories to build at several locations. The outlook for the market is discouraging. Future offerings to the CCC under the price support program are predictable as stocks continue to accumulate.

Includes EXTRA GRADE and GRADE A, all heat treatments

NONFAT DRY MILK: 1.0200 - 1.0625 MOSTLY: 1.0275 - 1.0375

DRY BUTTERMILK - CENTRAL

Prices are unchanged and nominal. The market tone is quiet. Sales activity is slow with limited buying interest. Offerings can be found from producers and resellers in all regions, although price levels are relatively stable. Many producers are holding onto inventories in anticipation of the seasonal increase in demand for buttermilk. Current stocks are at steady levels.

BUTTERMILK: .9325 - .9675

DRY WHEY - CENTRAL

Dry whey prices are steady. Limited trading occurred this week because many traders/producers/users were attending the ADPI annual meeting. Market conditions are creating an unsettled undertone throughout the industry. Demand is light and supplies are increasing. Excessive amounts of milk, especially from the East, are entering manufacturing plants. The bulk of the extra milk is entering cheese vats and thus, increasing edible whey production. Production levels are already high with the peak milk season forthcoming. Some producers that recently cleared stocks are once again building due to these heavier production levels. Contacts also commented that the current price difference between Western and Central whey is encouraging Western buyers to seek product out of the Central region.

NONHYGROSCOPIC: .2150 - .2400 MOSTLY: .2200 - .2250

ANIMAL FEED WHEY - CENTRAL

Prices are steady and nominal on all animal feed products. There is no change in the recent trend as slow buyer demand continues. Manufacturer offerings are readily available and increasing with edible whey production levels. The majority of users are in relatively balanced positions and only resort to the spot market for small order volumes. The market tone for roller ground is unchanged as producers focus on contracts. The delactose market is steady with noted interest from feed accounts.

MILK REPLACER: .1850 - .2100
STANDARD: .1700 - .2000
ROLLER GROUND: .2400 - .2450
DELACTOSE (Min. 20% protein): .3400 - .3675

LACTOSE - CENTRAL AND WEST

Prices and the market tone are steady. Trading activity was limited as a result of many buyers and sellers at the ADPI annual meeting in Chicago. Offerings are available throughout the marketplace. A few discounts were reported on spot sales. Sources report large volumes of off-spec powder are circulating the feed channels. Production levels and stocks are moderate.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1800 - .2600 MOSTLY: .2100 - .2200

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices and the market tone are unchanged. Sales activity was limited this week as many buyers and sellers attended the annual ADPI meeting. There were reports of a few sellers looking for bids at steady to weaker prices. However, substantial discounts on feed grade WPC were reported. With the increased number of animal feed offerings entering the marketplace, supplies appear to be building. Industry contacts foresee a softening market.

EXTRA GRADE 34% PROTEIN: .5700 - .6200 MOSTLY: .6000 - .6050

NONFAT DRY MILK - WEST

Nonfat dry milk prices are mostly steady and the market tone remains weak. Market conditions are similar to recent weeks with surplus offerings clearing to the CCC. Spot interest is light and able to be filled by most suppliers in the region. A few manufacturers who tried to raise prices met limited success and they then lowered prices. The high heat demand is described as fair to good and that market is better balanced. California condensed skim prices are less expensive than NDM and users are taking condensed whenever practical. Low/medium heat stocks are excessive; high heat light to moderate. During the week of April 20 - 24, Western and Central producers offered 4,530,117 pounds of NDM to the CCC under the support program.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: 1.0100 - 1.0400 MOSTLY: 1.0200 - 1.0300
HIGH HEAT: 1.0450 - 1.0550

DRY BUTTERMILK - WEST

Prices and the market tone are steady. Demand remains light with buying interest described as guarded. Several contacts are noting that the early run up in butter prices will most likely increase butter production and, residually, buttermilk powder. Current stock levels are holding steady.

BUTTERMILK: .9000 - .9400 MOSTLY: .9100 - .9300

DRY WHEY - WEST

Range prices declined fractionally while the mostly held steady. Some producers are noticing more buyer resistance. The resistance is related to the "inverse price relationship" between the West and Central at this time. Some normal account Western buyers are now purchasing from Central producers. Stocks are beginning to build at some Western locations. No price discounts are noted. More animal feed whey is on the market at this time. Whey production for this season is above expectations for many plants.

NONHYGROSCOPIC: .2200 - .2400 MOSTLY: .2250 - .2325

CALIFORNIA MANUFACTURING PLANTS

The weighted average price for Extra Grade and Grade A Nonfat Dry Milk for the seven day period ended April 24, on powder sales of 7,561,315 pounds f.o.b. California manufacturing plants was \$1.0382 per pound. This compares to 8,218,867 pounds at \$1.0352 for the previous week ending April 17, 1998. Prices for both periods were influenced by the effect of long-term contract sales. Compiled by the Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Prices are unchanged and the market tone remains weak. Many contacts were attending this week's annual meeting of the ADPI in Chicago and unavailable for comment. However, the reports given indicate an unchanged to weak market. Production is still very heavy and reflective of the fluid milk supplies. Most plants are at capacity. With output this high and expected to remain here for several weeks, some contacts are concerned about equipment malfunctions and the availability or resupply of bags. Demand for NDM is slow to fair at best.

NOTICE: Effective June 1, 1998, Dairy Market News, in response to industry request, is proposing to split the Northeast NDM prices into a low/medium heat range and a high heat range. Comments regarding this proposed change should be received no later than May 15. The Dairy Market News telephone number is 608-224-5085. Also, you may E-mail comments to Alan_T_Wagner@USDA.GOV.

Includes EXTRA GRADE and GRADE A, all heat treatments

F.O.B. NORTHEAST: 1.0200 - 1.1100 MOSTLY: 1.0300 - 1.0500
DELVD SOUTHEAST: 1.0550 - 1.0825

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices and the market tone are unchanged. Production levels are moderate and often limited by the volumes of skim a plant has to dry. Churning activity is heavy and sales of liquid buttermilk are improving at some locations. Demand for dry buttermilk is slow to fair, but producer stocks are quite well balanced. Some stock accumulations are being reported.

F.O.B. NORTHEAST: .9400 - .9600
DELVD SOUTHEAST: .9400 - 1.0025

DRY WHOLE MILK - NATIONAL

Prices are unchanged to higher and the market tone is unchanged. The increases were primarily noted from Western producers. Wholemilk production is often limited by the volumes of skim that plants have to process. Demand is just fair and mostly centered around filling DEIP and domestic contracts. Spot interest is fair at best.

F.O.B. PRODUCING PLANT: 1.3000 - 1.3800

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 1997 THROUGH APRIL 24, 1998
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	92,216 MT (203,371,441 LBS)
WHOLE MILK POWDER	--	7,487 MT (16,505,840 LBS)
Program allocations filled		
CHEESE	--	3,327 MT (7,334,704 LBS)
CHANGE	--	191 MT (421,079 LBS)
BUTTERFAT	--	15,648 MT (34,497,580 LBS)

Allocations for the DEIP year beginning July 1, 1997, are:
Nonfat dry milk - 92,217 MT; Whole Milk Powder - 7,487 MT;
Cheese - 3,510 MT; Butterfat - 34,232 MT.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices and the market tone are unchanged. Many contacts were attending this week's annual meeting of the ADPI in Chicago. Production levels are higher as most Eastern cheese makers have had heavier volumes of surplus milk offered to them during the past couple weeks. Most plants are now operating daily, but a few continue to have a down day each week. Producers' stocks range from sold out to adequate. Some are offering spot sales while others are taking orders for delivery in May. Spot demand, however, is still relatively slow. Contract sales are clearing most of the current output.

F.O.B. NORTHEAST: EXTRA GRADE .2175 - .2275
USPH GRADE A .2325 - .2450
DELVD SOUTHEAST: .2400 - .2600

ANIMAL FEED WHEY - NORTHEAST

Prices remain too few to report and the market tone is still relatively weak. Dry whey offerings are more than adequate to meet the generally slow spot demand. During the past few weeks, contacts have reported increased offerings or availability of off grade powder.

F.O.B. NORTHEAST: MILK REPLACER TFEWR

EVAPORATED MILK - NATIONAL

Prices and the market tone are steady. Production levels are increasing as milk supplies increase seasonally. Most plants have more than enough milk available to them and most are processing at capacity levels. Some of this milk has been attractively priced and producers are building stocks. Demand is slow to fair. The Kansas City Commodity office announced the purchase of 1,615,680 pounds of canned evaporated milk under EVD-1, invitation 440 at prices ranging \$.4610 - .4900 per pound for delivery in June 1998.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$22.50 - 33.00
Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Prices are unchanged, although the market undertone remains weak. Buyers are comfortable with supplies at this time. Rennet demand is not overly aggressive due to the weak natural cheese market. Acid demand continues to absorb the majority of current imports. During February, casein imports totaled 4,924 MT. Cumulative imports during the first two months of the year total 11,277 MT, 18% ahead of last year for the same period. Over 70% of the imports are coming from New Zealand and Ireland.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 2.1000 - 2.1700
ACID: 2.0000 - 2.1000

COFFEE, SUGAR, & COCOA EXCHANGE AND CHICAGO MERCANTILE EXCHANGE FUTURES

Selected settling prices, (open interest), and volume 1/

Month	04/17	04/20	04/21	04/22	04/23	04/24	04/27	04/28	
CSCE - BFP -- Dollars per cwt.									
APR 98	12.05 (103) 2	12.02 (103) 2	11.99 (101) 6	11.99 (102) 1	11.99 (102) 0	11.97 (102) 0	11.99 (102) 0	12.02 (102) 0	12.03 (102) 0
MAY98	11.61 (177) 15	11.58 (242) 85	11.49 (307) 78	11.49 (347) 40	11.45 (352) 17	11.34 (350) 4	11.02 (350) 5	10.97 (353) 9	10.97 (354) 2
JUN 98	11.61 (114) 13	11.53 (134) 41	11.43 (141) 11	11.43 (141) 2	11.39 (141) 1	11.26 (180) 44	11.01 (172) 56	10.91 (177) 8	10.93 (177) 1
JUL 98	11.66 (167) 1	11.68 (168) 1	11.65 (197) 38	11.58 (197) 0	11.56 (197) 0	11.53 (196) 2	11.44 (196) 11	11.30 (196) 12	11.40 (195) 3
AUG 98	12.01 (31) 6	12.04 (31) 0	12.03 (31) 0	12.03 (32) 3	12.03 (33) 1	11.98 (33) 4	11.98 (34) 7	11.90 (49) 26	11.88 (55) 14
SEP 98	12.35 (21) 0	12.50 (25) 6	12.50 (25) 0	12.53 (26) 1	12.55 (26) 0	12.55 (26) 0	12.57 (26) 2	12.55 (26) 0	12.55 (31) 5
OCT 98	12.58 (1 04/16 (18) 4	2) 0	12.63 (12) 0	12.60 (12) 0	12.65 (13) 1	12.68 (13) 0	12.65 (14) 1	12.65 (14) 0	12.65 (14) 0
NOV 98	12.48 (0) 0	12.57 (0) 0	12.60 (0) 0	12.60 (1) 1	12.61 (1) 0	12.60 (1) 1	12.65 (1) 0	12.60 (1) 0	12.60 (2) 1
CME - BUTTER -- Cents per pound									
MAY 98	135.00 (32) 0	137.50 (36) 6	142.50 (36) 0	137.50 (36) 0	142.50 (31) 9	147.50 (32) 2	147.50 (32) 0	147.50 (32) 0	147.50 (30) 2
JUL 98	136.00 (21) 0	136.00 (21) 0	136.00 (21) 0	137.50 (23) 4	142.50 (23) 8	147.50 (23) 0	147.50 (23) 0	147.50 (23) 0	147.50 (21) 2
SEP 98	136.50 (1) 0	136.50 (1) 0	138.00 (1) 0	139.00 (1) 0	142.50 (1) 0	142.50 (1) 0	142.50 (1) 0	142.50 (1) 0	142.50 (1) 0
CME - BFP -- Dollars per cwt.									
APR 98	12.07 (235) 19	12.00 (235) 47	11.97 (220) 25	11.98 (216) 7	11.98 (217) 1	11.98 (215) 0	12.00 (213) 1	12.01 (213) 0	12.01 (213) 0
MAY 98	11.68 (296) 48	11.55 (347) 111	11.49 (429) 112	11.48 (474) 78	11.46 (499) 31	11.35 (491) 49	11.00 (518) 100	10.95 (521) 28	10.98 (521) 6
JUN 98	11.58 (223) 40	11.51 (245) 23	11.44 (226) 41	11.45 (223) 17	11.43 (226) 5	11.32 (271) 95	10.97 (349) 102	10.85 (381) 101	10.85 (391) 32
JUL 98	11.65 (369) 32	11.59 (412) 69	11.46 (431) 43	11.57 (437) 19	11.55 (440) 5	11.50 (456) 65	11.40 (462) 15	11.30 (461) 16	11.27 (461) 8
AUG 98	11.97 (102) 25	12.02 (153) 73	12.01 (155) 2	12.02 (155) 2	11.98 (156) 1	11.96 (180) 24	11.95 (228) 61	11.82 (243) 80	11.82 (244) 2
SEP 98	12.45 (67) 13	12.50 (67) 2	12.53 (67) 0	12.56 (69) 15	11.55 (71) 5	12.58 (70) 2	12.55 (74) 6	12.51 (70) 8	12.54 (89) 19
OCT 98	12.58 (57) 30	12.61 (73) 19	12.70 (84) 12	12.72 (73) 11	12.70 (74) 1	12.71 (74) 0	12.71 (74) 0	12.70 (74) 0	12.66 (76) 2
NOV 98	12.50 (67) 67	12.56 (67) 57	12.58 (66) 13	12.61 (69) 5	12.60 (69) 5	12.62 (69) 3	12.62 (70) 19	12.62 (70) 6	12.60 (72) 3
DEC 98	12.46 (52) 25	12.51 (76) 28	12.50 (88) 12	12.54 (104) 29	12.54 (104) 0	12.55 (112) 9	12.52 (130) 18	12.52 (130) 0	12.51 (132) 3
CME - CHEDDAR CHEESE -- Cents per pound									
MAY 98	126.50 (96) 81	126.00 (96) 0	125.95 (96) 0	124.90 (124) 50	124.75 (128) 6	123.55 (128) 9	121.05 (128) 1	120.00 (128) 6	119.75 (128) 1
JUL 98	128.00 (112) 43	128.00 (120) 8	128.00 (120) 2	128.00 (120) 0	127.55 (120) 0	127.025 (120) 0	124.525 (121) 1	124.525 (121) 0	124.525 (121) 0
SEP 98	134.50 (65) 34	135.00 (65) 0	135.30 (65) 0	135.75 (65) 0	135.75 (65) 0	135.50 (65) 0	135.00 (70) 5	135.25 (70) 0	135.75 (70) 0

1/ Open interest for NDM and cheddar -- 4 contracts equal 40,000 pounds. Open interest for fluid milk (at both exchanges) -- 1 contract equals 50,000 pounds. For more detailed information, you may call our automated voice system at 608-224-5088 or the CSCE's Soft Fax at 212-742-6111.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered April 20 - May 1, 1998

Prices are U.S. Dollars per MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

OVERVIEW: WESTERN EUROPE: Milk production is increasing seasonally toward the traditional spring peak. In some areas, fluid receipts are lagging somewhat due to cool, often wet weather. Manufacturing schedules are building in pace with increased receipts. Trading is generally limited to internal business. Sales to buyers outside the EU are quiet. Limited skim offerings to intervention continue to help balance supplies and demand. The weaker U.S. dollar is affecting prices somewhat.

BUTTER/BUTTEROIL: The butter market is unsettled to steady. Export demand is limited as some buyers may be holding back for possible lower prices after production and supplies build seasonally. Production continues to increase seasonally. Offerings are starting to grow. Butteroil demand is also little changed from recent weeks.

82% BUTTERFAT:	1,650 - 2,000
99% BUTTERFAT:	2,200 - 2,300

SKIM MILK POWDER (SMP): The tone of the market is steady at best. Current interest in the SMP market is light. Limited volumes continue to move into EU intervention to help balance producer inventories with projected demand. Drying schedules are increasing seasonally.

1.25% BUTTERFAT:	1,450 - 1,550
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WHOLE MILK POWDER (WMP): The whole milk market is steady with little change in current market conditions from recent weeks. Demand continues light. Some milk is still being diverted from whole milk over to skim to keep whole milk inventories in balance.

26% BUTTERFAT:	1,650 - 1,750
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SWEET WHEY POWDER: The whey market is steady to firm. Prices are unchanged to occasionally higher. Demand is somewhat improved. Production is still relatively light but increasing where cheese production has picked up seasonally.

NONHYGROSCOPIC:	500 - 650
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OVERVIEW: EASTERN EUROPE: Milk production is picking up seasonally with plant receipts in some areas possibly a week or so earlier than normal due to warmer than normal (conducive to milk production) weather. As milk receipts climb, production and offerings of manufactured products are on the rise. Current spot demand remains seasonally quiet.

OCEANIA

OVERVIEW: The international markets remain quiet with traditional Asian markets as well as Russian demand showing little improvement in recent weeks. Overall, limited international trading is occurring due to generally light buyer interest at current price levels. Milk production is trending seasonally lower into fall when most cows are dried up for winter. In Australia, milk production remains above year ago levels, though the season end is fast approaching the traditional close of the production cycle with overall receipts in the area of 3 - 4% above year ago levels in major producing areas. Some recent price fluctuations are due to changes in relative currency values.

BUTTER: The butter market is steady and prices are mostly unchanged. Butter stocks are in line with projected needs and held with confidence despite the continuing financial woes in parts of Asia. Demand is projected to improve later in the year.

82% BUTTERFAT:	1,650 - 1,750
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CHEDDAR CHEESE: The cheese market is unsettled to steady. Current demand remains light. Production is trending lower seasonally. Current cheese inventories are at least adequate for anticipated orders.

39% MAXIMUM MOISTURE:	1,900 - 2,100
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SKIM MILK POWDER (SMP): Some nervousness prevails over current inventories being larger than desired entering the winter season. Generally quiet international demand is not helping to reduce current supplies.

1.25% BUTTERFAT:	1,450 - 1,500
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WHOLE MILK POWDER (WMP): The whole milk powder market is steady. Supplies are about in balance with anticipated needs. WMP continues to be a product that manufacturers consider to have better potential for international sales relative to skim milk powder when dairy product demand improves.

26% BUTTERFAT:	1,700 - 1,750
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Exchange rates for selected foreign currencies: April 27, 1998

.4976 Dutch Guilder	.5593 German Mark
.1668 French Franc	.5533 New Zealand Dollar
.1174 Mexican Peso	.6466 Australian Dollar
1.6745 British Pound	.0076 Japanese Yen
.2946 Polish Zloty	

To compare the value of 1 US Dollar to Mexican Pesos: $(1/.1174) = 8.5179$. That is 1 US Dollar equals 8.5179 Mexican Pesos.

Source: *Wall Street Journal*

DAIRY PRODUCTS, ANNUAL SUMMARY 1997

Butter Production Down 2 percent in 1997. Production of butter in the United States during 1997 totaled 1.15 billion pounds, 2 percent less than 1996. California accounted for 27 percent of the production, followed by Wisconsin with 26 percent and Washington with 8 percent.

Cheese Output Up 2 Percent. Total cheese production, excluding cottage cheeses, was 7.33 billion pounds, 2 percent above the 1996 production. Wisconsin was the leading State with 29 percent of the production, followed by California with 16 percent and Minnesota with 9 percent.

American type cheese production, at 3.29 billion pounds, was slightly above 1996 and accounted for 45 percent of total cheese in 1997.

Italian varieties, with 2.88 billion pounds produced, were 2 percent above the 1996 production. Mozzarella accounted for 78 percent of the Italian production followed by Ricotta with 8 percent and Provolone with 7 percent. Wisconsin was the leading State in Italian cheese production with 30 percent of the production, followed by California with 22 percent and New York with 12 percent.

Ice cream production increased in 1997. Regular ice cream production totaled 906 million gallons, up 3 percent from 1996. Lowfat ice cream, at 386 million gallons, was up 5 percent.

Nonfat dry milk for human food production, at 1.22 billion pounds, was up 15 percent from 1996. California was the leading state with 45 percent, followed by Washington with 14 percent. Dry buttermilk production, at 49.3 million pounds, was up 1 percent. Dry whey for human food production, at 1.08 billion pounds, was up 3 percent.

Source: "Dairy Products 1997 Summary," Da 2-1(98), National Agricultural Statistics Service, Agricultural Statistics Board, USDA.

**ANNUAL PRODUCTION AND NUMBER OF PLANTS MANUFACTURING SELECTED DAIRY PRODUCTS,
UNITED STATES, 1996 AND 1997**

Product	1996 Revised		1997		Percent 1997 production of 1996 production
	Plants	Production	Plants	Production	
	<u>Number</u>	<u>1,000 pounds</u>	<u>Number</u>	<u>1,000 pounds</u>	<u>Percent</u>
Butter	103	1,174,475	91	1,151,250	98.0
Cheese Types:					
Cheddar	203	2,545,094	189	2,639,526	103.7
Other American <u>1/</u>	130	735,679	127	645,677	87.8
Total American	226	3,280,773	215	3,285,203	100.1
Swiss	43	219,047	42	207,583	94.8
Brick	23	10,647	21	8,535	80.2
Muenster	45	106,815	42	100,191	93.8
Cream & Neufchatel	29	574,700	32	614,921	107.0
Blue <u>2/</u>	11	38,311	10	42,773	111.6
Mozzarella	129	2,250,214	133	2,244,005	99.7
Other Italian	92	562,183	92	636,399	113.2
Total Italian	157	2,812,397	156	2,880,404	102.4
Total <u>3/</u>	423	7,217,518	412	7,329,018	101.5
Cottage Cheese, Curd <u>4/</u>	124	448,327	118	458,460	102.3
Cottage Cheese, Creamed <u>5/</u>	112	360,413	109	359,525	99.8
Cottage Cheese, Lowfat <u>6/</u>	109	329,890	105	346,687	105.1
Canned Evaporated &					
Condensed Whole Milk <u>7/</u>	7	463,613	6	549,129	118.4
Dry Whole Milk	16	134,351	16	122,091	90.9
Nonfat Dry Milk, Human	53	1,061,771	47	1,217,562	114.7
Dry Buttermilk	33	48,777	27	49,308	101.1
Yogurt (Plain & Flavored)	109	1,588,142	104	1,574,050	99.1
Condensed Whey, Solids Content <u>8/</u>					
Sweet-Type, Human Food	13	145,981	11	139,792	95.8
Sweet-Type, Animal Feed	4	25,685	4	25,709	100.1
Dry Whey Products					
Dry Whey, Human Food	48	1,044,686	47	1,076,529	103.0
Dry Whey, Animal Feed	41	71,828	40	60,295	83.9
Lactose Total	29	398,788	26	423,721	106.3
Whey Protein Concentrate					
Human Food	31	215,195	27	219,186	101.9
Animal Feed	14	34,982	12	35,775	102.3
Frozen Products	<u>Number</u>	<u>1,000 gallons</u>	<u>Number</u>	<u>1,000 gallons</u>	<u>Percent</u>
Ice Cream	---	878,572	---	905,590	103.1
Lowfat <u>9/</u>	---	366,126	---	385,591	105.3
Milk Sherbet	---	52,611	---	52,784	100.3
Yogurt	---	114,168	---	92,397	80.9

1/ Includes colby, monterey and jack. 2/ Includes gorgonzola. 3/ Excluding cottage cheese; includes other types not listed. 4/ Mostly used for processing into creamed or lowfat cottage cheese. 5/ Milkfat content 4.0 percent or more. 6/ Milkfat content less than 4.0 percent, mostly 0.5 to 2.0 milkfat. 7/ Combined to avoid disclosing individual plant operations. 8/ Final marketable product only. Does not include quantity used or shipped to another plant for further processing into dry whey or modified dry whey products. 9/ Includes freezer-made milkshake.

SOURCE: "Dairy Products 1997 Summary," Da 2-1(98), Agricultural Statistics Board, National Agricultural Statistics Service (NASS)

MONTHLY SUMMARY AND AVERAGES FOR APRIL 1998 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	REPORT NUMBER 13	REPORT NUMBER 14	REPORT NUMBER 15	REPORT NUMBER 16	REPORT NUMBER 17	1998	1997
	APR 01 - 03	APR 06 - 10	APR 13 - 17	APR 20 - 24	APR 27 - 30	or Total	or Total
BUTTER							
CHICAGO (WSP) 2/ (Delivered in Bulk in Fiber Boxes) (Prices Issued Tues, Thurs and Fri)							
TUESDAY							
-- Grade AA	:: 1.3350	:: 1.3450	:: 1.3350	:: 1.3450	:: 1.4900	:: 1.5000	::
-- Grade A	:: 1.2400	:: 1.2500	:: 1.2400	:: 1.2500	:: 1.2425	:: 1.2525	:: 1.4000 - 1.4100
THURSDAY							
-- Grade AA	:: 1.3350	:: 1.3450	:: 1.3350	:: 1.3450	:: 1.3350	:: 1.3450	:: 1.4900 - 1.5000
-- Grade A	:: 1.2400	:: 1.2500	:: 1.2400	:: 1.2500	:: 1.2425	:: 1.2525	:: 1.4000 - 1.4100
FRIDAY							
-- Grade AA	:: 1.3350	:: 1.3450	:: 1.3350	:: 1.3450	:: 1.3350	:: 1.3450	:: 1.3638 : 1.0588
-- Grade A	:: 1.2400	:: 1.2500	:: 1.2400	:: 1.2500	:: 1.2425	:: 1.2525	:: 1.2702 : 0.9558
CHICAGO MERCANTILE EXCHANGE 3/							
-- Grade AA	:: 1.3450	:: 1.3450	:: 1.3450	:: 1.4900	::	:: 1.3788	:: 1.0233
-- Grade A	:: 1.2500	:: 1.2500	:: 1.2525	:: 1.4000	::	:: 1.2856	:: 0.9190
-- Grade B	:: 1.2400	:: 1.2400	:: 1.2400	:: 1.3800	::	:: 1.2727	:: 0.9027
CENTRAL STATES PRINT (f.o.b. LTL)							
-- Grade AA, 1/4 Lb. Prints	:: 1.4450	:: 1.8525	:: 1.4450	:: 1.8525	:: 1.4450	:: 1.8525	:: 1.5900 - 1.9975 : 1.6751 : 1.3447
-- Grade AA, 1 Lb. Prints	:: 1.4100	:: 1.5725	:: 1.4100	:: 1.5725	:: 1.4100	:: 1.5725	:: 1.5550 - 1.7175 : 1.5176 : 1.1872
-- Grade AA, Chips/Patties	:: 1.4350	:: 1.6450	:: 1.4350	:: 1.6450	:: 1.4350	:: 1.6450	:: 1.5800 - 1.7900 : 1.5664 : 1.2359
-- Grade AA, Reddies	:: 1.5200	:: 1.7550	:: 1.5200	:: 1.7550	:: 1.5200	:: 1.7550	:: 1.6650 - 1.9000 : 1.6639 : 1.3322
-- Grade AA, Continentals	:: 1.6750	:: 1.8650	:: 1.6750	:: 1.8650	:: 1.6750	:: 1.8650	:: 1.8200 - 2.0100 : 1.7964 : 1.4659
NORTHEAST PRINT (Delivered, LTL)							
-- Grade AA, 1/4 Lb. Prints	:: 1.5550	:: 1.8025	:: 1.5550	:: 1.8025	:: 1.5550	:: 1.8025	:: 1.7000 - 1.9475 : 1.7051 : 1.3660
-- Grade AA, 1 Lb. Prints	:: 1.4700	:: 1.6525	:: 1.4700	:: 1.6525	:: 1.4700	:: 1.6525	:: 1.6150 - 1.7975 : 1.5876 : 1.2572
-- Grade AA, Chips/Patties	:: 1.5325	:: 1.7400	:: 1.5325	:: 1.7400	:: 1.5325	:: 1.7400	:: 1.6775 - 1.8850 : 1.6626 : 1.3134
-- Grade AA, Reddies	:: 1.6075	:: 1.8025	:: 1.6075	:: 1.8025	:: 1.6075	:: 1.8025	:: 1.7525 - 1.9475 : 1.7314 : 1.4009
-- Grade AA, Continentals	:: 1.6875	:: 1.8625	:: 1.6875	:: 1.8625	:: 1.6875	:: 1.8625	:: 1.8325 - 2.0075 : 1.8014 : 1.4709
CALIFORNIA PRINT (Delivered, LTL)							
-- Grade AA, 1/4 Lb. Prints	:: 1.6250	:: 1.6925	:: 1.6250	:: 1.6925	:: 1.6250	:: 1.6925	:: 1.7725 - 1.8400 : 1.6856 : 1.3497
-- Grade AA, 1 Lb. Prints	:: 1.5550	:: 1.6200	:: 1.5550	:: 1.6200	:: 1.5550	:: 1.6200	:: 1.6975 - 1.7675 : 1.6139 : 1.2797
-- Grade AA, Patties	:: 1.5975	:: 1.7625	:: 1.5975	:: 1.7625	:: 1.5975	:: 1.7625	:: 1.7450 - 1.9100 : 1.7068 : 1.3797
-- Grade AA, Reddies	:: 1.7225	:: 1.7400	:: 1.7225	:: 1.7400	:: 1.7225	:: 1.7400	:: 1.8700 - 1.8875 : 1.7581 : 1.4309
CALIFORNIA PLANTS PRINT (f.o.b. LTL)							
-- Grade AA, 1/4 Lb. Prints	:: 1.3400	:: 1.3900	:: 1.3400	:: 1.3900	:: 1.3400	:: 1.3900	:: 1.4875 - 1.5375 : 1.3918 : 1.0518
CHEESE							
CHICAGO MERCANTILE EXCHANGE 3/							
-- Barrels	:: 1.2600	:: 1.2600	:: 1.2425	:: 1.2000	:: 1.2000	:: 1.2405	:: 1.2083
-- 40# Blocks	:: 1.3500	:: 1.3000	:: 1.2500	:: 1.1950	:: 1.1800	:: 1.2732	:: 1.2378
WISCONSIN ASSEMBLY POINTS (f.o.b.)							
-- Cheddar Barrels	:: 1.2675	:: 1.2975	:: 1.2500	:: 1.2800	:: 1.2325	:: 1.2625	:: 1.1900 - 1.2000 : 1.2507 : 1.2130
-- Cheddar 40# Blocks	:: 1.3400	:: 1.3800	:: 1.3400	:: 1.3800	:: 1.3000	:: 1.3300	:: 1.2500 - 1.2800 : 1.1850 - 1.1950 : 1.2973 : 1.2561
WISCONSIN (WSP, Delivered, LTL)							
-- Process American 5# Loaf	:: 1.4975	:: 1.7200	:: 1.4975	:: 1.7200	:: 1.4975	:: 1.6800	:: 1.4975 - 1.6600 : 1.5988 : 1.5984
-- Brick And/Or Muenster 5#	:: 1.6700	:: 1.8225	:: 1.6700	:: 1.8225	:: 1.6700	:: 1.7725	:: 1.6300 - 1.7225 : 1.6000 - 1.6675 : 1.7042 : 1.6526
-- Cheddar 40# Block	:: 1.6150	:: 1.9150	:: 1.6150	:: 1.9150	:: 1.5650	:: 1.9150	:: 1.5150 - 1.9150 : 1.4600 - 1.9150 : 1.7339 : 1.7076
-- Monterey Jack 10#	:: 1.8150	:: 1.9150	:: 1.8150	:: 1.9150	:: 1.7650	:: 1.9150	:: 1.7150 - 1.9150 : 1.6600 - 1.9150 : 1.8339 : 1.8076
-- Blue 5#	:: 1.9675	:: 2.2100	:: 1.9675	:: 2.2100	:: 1.9175	:: 2.2100	:: 1.8575 - 2.1700 : 1.8025 - 2.1400 : 2.0447 : 1.9898
-- Mozzarella 5 - 6#	:: 1.7400	:: 1.9150	:: 1.7400	:: 1.9150	:: 1.6800	:: 1.9150	:: 1.6300 - 1.9150 : 1.5750 - 1.9150 : 1.7932 : 1.7661
-- Grade A Swiss Cuts 6 - 9#	:: 2.2800	:: 2.4850	:: 2.2800	:: 2.4850	:: 2.2800	:: 2.4850	:: 2.2500 - 2.4850 : 2.2500 - 2.4850 : 2.3764 : 2.3524
NORTHEAST (WSP, Delivered, LTL)							
-- Cheddar 10# Prints	:: 1.3975	:: 1.8325	:: 1.3975	:: 1.8325	:: 1.3975	:: 1.7825	:: 1.3975 - 1.7325 : 1.3975 - 1.6775 : 1.5839 : 1.5368
-- Cheddar Single Daisies	:: 1.3675	:: 1.8375	:: 1.3675	:: 1.8375	:: 1.3675	:: 1.7875	:: 1.3675 - 1.7375 : 1.3675 - 1.6825 : 1.5714 : 1.5188
-- Cheddar 40# Block	:: 1.4875	:: 1.6475	:: 1.4875	:: 1.6475	:: 1.4375	:: 1.5975	:: 1.3875 - 1.5475 : 1.3325 - 1.4900 : 1.5050 : 1.4602
-- Process 5# Loaf	:: 1.4875	:: 1.6250	:: 1.4700	:: 1.6250	:: 1.4700	:: 1.6250	:: 1.4525 - 1.6250 : 1.4100 - 1.6250 : 1.5413 : 1.4944
-- Process 5# Sliced	:: 1.5075	:: 1.6725	:: 1.4900	:: 1.6550	:: 1.4900	:: 1.6550	:: 1.4725 - 1.6375 : 1.4300 - 1.6375 : 1.5639 : 1.5162
-- Muenster	:: 1.5300	:: 1.9550	:: 1.5300	:: 1.9550	:: 1.4800	:: 1.9550	:: 1.4300 - 1.9550 : 1.3750 - 1.9550 : 1.7114 : 1.6643
-- Grade A Swiss Cuts 10 - 14#	:: 2.2500	:: 2.5050	:: 2.2500	:: 2.5050	:: 2.2500	:: 2.5050	:: 2.2500 - 2.5050 : 2.2500 - 2.5050 : 2.3775 : 2.3775
WEST COAST (WSP, Delivered, LTL)							
-- Process 5# Loaf	:: 1.4675	:: 1.6900	:: 1.4500	:: 1.6900	:: 1.4500	:: 1.6900	:: 1.4375 - 1.6700 : 1.3950 - 1.6400 : 1.5580 : 1.5472
-- Cheddar 40# Block	:: 1.5325	:: 1.7000	:: 1.5325	:: 1.7000	:: 1.4825	:: 1.6700	:: 1.4325 - 1.6500 : 1.3775 - 1.6100 : 1.5678 : 1.5819
-- Cheddar 10# Cuts	:: 1.7500	:: 1.8725	:: 1.7500	:: 1.8725	:: 1.7175	:: 1.8225	:: 1.6675 - 1.7800 : 1.6175 - 1.7400 : 1.7579 : 1.7304
-- Monterey Jack 10#	:: 1.7150	:: 1.8350	:: 1.7150	:: 1.8350	:: 1.6775	:: 1.7850	:: 1.6275 - 1.7500 : 1.5725 - 1.7200 : 1.7220 : 1.6994
-- Grade A Swiss Cuts 6 - 9#	:: 2.3375	:: 2.5000	:: 2.3375	:: 2.5000	:: 2.3375	:: 2.4500	:: 2.3100 - 2.4000 : 2.2800 - 2.3700 : 2.3815 : 2.4260

MONTHLY SUMMARY AND AVERAGES FOR APRIL 1998 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	:REPORT NUMBER 13	:REPORT NUMBER 14	:REPORT NUMBER 15	:REPORT NUMBER 16	:REPORT NUMBER 17	: 1998	: 1997
	:-----	:-----	:-----	:-----	:-----	: Average	: Average
	: APR 01 - 03	: APR 06 - 10	: APR 13 - 17	: APR 20 - 24	: APR 27 - 30	: or Total	: or Total
FLUID AND DRY PRODUCTS							
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)							
Delivered Equivalent:							
-- Northeast	:: 1.6500 - 1.8250	:: 1.6500 - 1.8250	:: 1.6500 - 1.8250	:: 1.6533 - 1.8287	:: 1.8480 - 2.0300	:: 1.7749	: 1.2708
-- Atlanta	:: 1.6000 - 1.8896	:: 1.6000 - 1.8896	:: 1.6000 - 1.8896	:: 1.6032 - 1.8896	:: 1.7920 - 2.0615	:: 1.7782	: 1.3319
-- Upper Midwest	:: 1.6500 - 1.7500	:: 1.6875 - 1.7750	:: 1.7125 - 1.7750	:: 1.7159 - 1.7786	:: 1.8760 - 1.9600	:: 1.7674	: 1.2871
SPOT PRICES OF CONDENSED SKIM (\$ per lb. wet solids)							
Delivered Equivalent:							
-- Northeast	:: 1.0000 - 1.1700	:: 1.0000 - 1.1700	:: 0.9500 - 1.1300	:: 0.9400 - 1.1300	:: 0.9000 - 1.1300	:: 1.0507	: 1.1582
WISCONSIN FLUID MILK SHIPMENTS							
-- Loads Shipped from Wisconsin Shipping Points	:: 0	:: 0	:: 0	:: 0	:: 0	:: 0	: 0
NATIONAL EVAPORATED MILK (\$ per Case)							
(Case - 48 - 12 fluid oz cans)							
-- Delivered Major U.S. Cities	:: 22.5000 - 33.0000	:: 22.5000 - 33.0000	:: 22.5000 - 33.0000	:: 22.5000 - 33.0000	:: 22.5000 - 33.0000	:: 27.7500	: 27.7500
NONFAT DRY MILK							
-- Central (f.o.b.)							
-- Extra And Grade A	:: 1.0200 - 1.0700	:: 1.0200 - 1.0700	:: 1.0200 - 1.0625	:: 1.0200 - 1.0625	:: 1.0200 - 1.0625	:: 1.0426	: 1.1440
-- Mostly	:: 1.0375 - 1.0425	:: 1.0350 - 1.0400	:: 1.0275 - 1.0375	:: 1.0275 - 1.0375	:: 1.0275 - 1.0375	:: 1.0347	: 1.1324
-- West (f.o.b.)							
-- Low/Medium Heat	:: 1.0100 - 1.0450	:: 1.0100 - 1.0425	:: 1.0100 - 1.0400	:: 1.0100 - 1.0400	:: 1.0100 - 1.0400	:: 1.0256	: 1.1064
-- Mostly	:: 1.0200 - 1.0300	:: 1.0200 - 1.0300	:: 1.0200 - 1.0300	:: 1.0200 - 1.0300	:: 1.0200 - 1.0300	:: 1.0250	: 1.1011
-- High Heat	:: 1.0450 - 1.0600	:: 1.0450 - 1.0550	:: 1.0450 - 1.0550	:: 1.0450 - 1.0550	:: 1.0450 - 1.0550	:: 1.0503	: 1.1534
-- Northeast (f.o.b.)							
-- Extra & Grade A	:: 1.0200 - 1.1100	:: 1.0200 - 1.1100	:: 1.0200 - 1.1100	:: 1.0200 - 1.1100	:: 1.0200 - 1.1100	:: 1.0650	: 1.1618
-- Mostly	:: 1.0300 - 1.0500	:: 1.0300 - 1.0500	:: 1.0300 - 1.0500	:: 1.0300 - 1.0500	:: 1.0300 - 1.0500	:: 1.0400	: N.A.
-- Southeast (Delvd)							
-- Extra & Grade A	:: 1.0550 - 1.0850	:: 1.0550 - 1.0850	:: 1.0550 - 1.0850	:: 1.0550 - 1.0825	:: 1.0550 - 1.0825	:: 1.0695	: 1.1652
WHEY POWDER (Nonhygroscopic)							
-- Central (f.o.b.)							
-- Mostly	:: 0.2250 - 0.2350	:: 0.2200 - 0.2250	:: 0.2200 - 0.2250	:: 0.2200 - 0.2250	:: 0.2200 - 0.2250	:: 0.2235	: 0.1837
-- West (f.o.b.)	:: 0.2150 - 0.2300	:: 0.2150 - 0.2325	:: 0.2200 - 0.2400	:: 0.2200 - 0.2425	:: 0.2200 - 0.2400	:: 0.2278	: 0.2048
-- Mostly	:: 0.2200 - 0.2250	:: 0.2200 - 0.2250	:: 0.2225 - 0.2300	:: 0.2250 - 0.2325	:: 0.2250 - 0.2325	:: 0.2259	: 0.1993
-- Northeast Extra Grade (f.o.b.)	:: 0.2200 - 0.2450	:: 0.2200 - 0.2350	:: 0.2175 - 0.2275	:: 0.2175 - 0.2275	:: 0.2175 - 0.2275	:: 0.2250	: 0.1859
-- Northeast Usph Grade A(f.o.b.)	:: 0.2400 - 0.2525	:: 0.2400 - 0.2475	:: 0.2325 - 0.2450	:: 0.2325 - 0.2450	:: 0.2325 - 0.2450	:: 0.2409	: 0.1896
-- Southeast Extra Grade (Delvd)	:: 0.2450 - 0.2700	:: 0.2450 - 0.2600	:: 0.2400 - 0.2575	:: 0.2400 - 0.2600	:: 0.2400 - 0.2600	:: 0.2513	: 0.2060
WHEY PROTEIN CONCENTRATE							
-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	:: 0.5700 - 0.6200	:: 0.5700 - 0.6200	:: 0.5700 - 0.6200	:: 0.5700 - 0.6200	:: 0.5700 - 0.6200	:: 0.5950	: 0.5958
-- Mostly	:: 0.6025 - 0.6075	:: 0.6000 - 0.6050	:: 0.6000 - 0.6050	:: 0.6000 - 0.6050	:: 0.6000 - 0.6050	:: 0.6028	: 0.5977
ANIMAL FEED - WHEY							
-- Central (f.o.b.)							
-- Milk Replacer	:: 0.1900 - 0.2100	:: 0.1900 - 0.2100	:: 0.1800 - 0.2100	:: 0.1850 - 0.2100	:: 0.1850 - 0.2100	:: 0.1978	: 0.1688
-- Standard	:: 0.1700 - 0.2000	:: 0.1700 - 0.2000	:: 0.1700 - 0.2000	:: 0.1700 - 0.2000	:: 0.1700 - 0.2000	:: 0.1850	: 0.1576
-- Roller Ground	:: 0.2500 - 0.2550	:: 0.2500 - 0.2550	:: 0.2400 - 0.2450	:: 0.2400 - 0.2450	:: 0.2400 - 0.2450	:: 0.2461	: 0.1994
-- Delactose	:: 0.3400 - 0.3675	:: 0.3400 - 0.3675	:: 0.3400 - 0.3675	:: 0.3400 - 0.3675	:: 0.3400 - 0.3675	:: 0.3538	: 0.3505
-- Northeast (f.o.b.)							
-- Milk Replacer	:: TFEWR	:: TFEWR	: TFEWR				
BUTTERMILK (Min. 30% protein)							
-- Central (f.o.b.)							
-- West (f.o.b.)	:: 0.9325 - 0.9675	:: 0.9325 - 0.9675	:: 0.9325 - 0.9675	:: 0.9325 - 0.9675	:: 0.9325 - 0.9675	:: 0.9500	: 1.1148
-- Mostly	:: 0.9000 - 0.9325	:: 0.9000 - 0.9550	:: 0.9000 - 0.9400	:: 0.9000 - 0.9400	:: 0.9000 - 0.9400	:: 0.9212	: 1.1330
-- Northeast (f.o.b.)	:: 0.9100 - 0.9200	:: 0.9100 - 0.9300	:: 0.9100 - 0.9300	:: 0.9100 - 0.9300	:: 0.9100 - 0.9300	:: 0.9193	: 1.1107
-- Southeast (Delvd)	:: 0.9400 - 0.9700	:: 0.9400 - 0.9600	:: 0.9400 - 0.9600	:: 0.9400 - 0.9600	:: 0.9400 - 0.9600	:: 0.9507	: 1.0920
-- Mostly	:: 0.9400 - 1.0025	:: 0.9400 - 1.0025	:: 0.9400 - 1.0025	:: 0.9400 - 1.0025	:: 0.9400 - 1.0025	:: 0.9713	: 1.1486
WHOLE MILK POWDER							
-- National							
-- F.O.B. Producing Plant	:: 1.3000 - 1.3700	:: 1.3000 - 1.3700	:: 1.3000 - 1.3700	:: 1.3000 - 1.3700	:: 1.3000 - 1.3800	:: 1.3359	: 1.2800
LACTOSE							
-- Central And West (f.o.b.)							
-- Mostly	:: 0.1800 - 0.2600	:: 0.1800 - 0.2600	:: 0.1800 - 0.2600	:: 0.1800 - 0.2600	:: 0.1800 - 0.2600	:: 0.2200	: 0.2582
-- Mostly	:: 0.2150 - 0.2250	:: 0.2100 - 0.2200	:: 0.2100 - 0.2200	:: 0.2100 - 0.2200	:: 0.2100 - 0.2200	:: 0.2157	: 0.2600
CASEIN - Edible - National (f.o.b.)							
-- Nonrestricted - Rennet	:: 2.1500 - 2.2000	:: 2.1500 - 2.2000	:: 2.1000 - 2.1700	:: 2.1000 - 2.1700	:: 2.1000 - 2.1700	:: 2.1495	: 2.3093
-- Nonrestricted - Acid	:: 2.0000 - 2.1500	:: 2.0000 - 2.1500	:: 2.0000 - 2.1000	:: 2.0000 - 2.1000	:: 2.0000 - 2.1000	:: 2.0591	: 2.1380

1/ Prices for all products not footnoted 2/ or 3/ are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing. 2/ The monthly averages are simple averages of all the prices reported during the month and are shown on the Friday line. 3/ The monthly averages are based on the exchange trading date prices and are time-weighted for each day, starting with the exchange trading date, until the next exchange trading date - Saturdays, Sundays, and National Holidays are included.

